

## Message Text

LIMITED OFFICIAL USE

PAGE 01 BONN 10023 011801Z  
ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 EB-08 CEA-01 CIAE-00 COME-00  
DODE-00 FRB-03 H-01 INR-10 INT-05 L-03 LAB-04  
NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15 STR-07  
ITC-01 TRSE-00 ICA-11 SP-02 SOE-02 OMB-01 DOE-15  
JUSE-00 /126 W  
-----038920 011803Z /46

P R 011743Z JUN 78  
FM AMEMBASSY BONN  
TO SECSTATE WASHDC PRIORITY 9015  
USDA/FAS WASHDC PRIORITY  
INFO AMEMBASSY BRUSSELS  
AMEMBASSY COPENHAGEN  
AMEMBASSY DUBLIN  
AMEMBASSY LONDON  
AMEMBASSY LUXEMBOURG  
AMEMBASSY PARIS  
AMEMBASSY ROME  
AMEMBASSY THE HAGUE  
USMISSION GENEVA

LIMITED OFFICIAL USE BONN 10023

USEEC ALSO FOR EMBASSY; USMTN; FAS FOR OYLOE,  
FITZSIMMONDS, STARKEY, STR

E.O. 11652: N/A  
TAGS: EAGR, GW  
SUBJECT: PROPOSED EC PRODUCTION SUBSIDIES FOR PRUNES  
AND CANNED PEACHES

REF: BONN 09960

1. SUMMARY: AGATT CONTACTED HIGH OFFICIAL IN FEDMINAG  
EXPRESSING SERIOUS CONCERN ABOUT THE LEVEL OF PRODUCTION  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BONN 10023 011801Z

SUBSIDIES PROPOSED BY THE EC COMMISSION FOR CERTAIN PRO-  
CESSED FRUIT AND VEGETABLE PRODUCTS AND SPECIFICALLY  
FOR PRUNES AND CANNED PEACHES. (SEE REFTEL.) AGATT  
ASKED THAT GERMAN DELEGATION BE INSTRUCTED TO 1. REJECT  
THE PROPOSED HIGH LEVEL OF PRODUCTION SUBSIDIES AND  
2. AT LEAST WORK TOWARDS A DELAY OF ANY DECISION RE-  
GARDING THE SUBSIDY LEVELS AT THE MANAGEMENT COMMITTEE

MEETING ON JUNE 2, END SUMMARY.

2. AGATT FURTHERMORE EXPRESSED GREAT DISAPPOINTMENT OF US GOVERNMENT REGARDING LACK OF CONSULTATIONS REGARDING THE LEVEL OF PRODUCTION SUBSIDIES AND STATED THAT IF MANAGEMENT COMMITTEE AND EC COMMISSION DECIDE ON THE PROPOSED HIGH PRODUCTION SUBSIDY LEVELS, IT COULD POSSIBLY HAVE SERIOUS CONSEQUENCES IN THE MTN. FURTHERMORE, US HAD HOPED TO BE ABLE TO AVOID FORMALLY REQUESTING CONSULTATIONS UNDER GATT ARTICLES 16 AND 22 BY HOLDING INFORMAL DIRECT CONSULTATIONS WITH EC COMMISSION AND MEMBER COUNTRIES.

3. THE GERMAN OFFICIAL STATED THAT HE COULD NOT AT THIS MOMENT EXPRESS A FORMAL FEDMINAG POSITION ON THIS MATTER BUT STATED THAT FEDMINAG IS NOT INTERESTED IN HIGH SUBSIDY LEVELS BECAUSE OF THE HIGH COST INVOLVED AS WELL AS POSSIBLE TRADE DIVERSION RESULTING FROM HIGH LEVELS. THE GERMAN OFFICIAL PROMISED THAT THE US REQUEST WILL BE DISCUSSED AT A HIGH POLITICAL LEVEL AT THE MINISTRY, GIVING FULL CONSIDERATION TO THE US INTEREST IN THIS MATTER.

4. ON A TECHNICAL LEVEL, FEDMINAG EXPRESSED INTEREST IN EXCHANGING PRICE AND OTHER INFORMATION FOR THESE PRODUCTS WHICH CAN BE HELPFUL IN CALCULATING A MORE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 BONN 10023 011801Z

FAIR SUBSIDY LEVEL WHICH IS BASED ON ACTUAL MARKET FACTS.

5. FEDMINAG REPRESENTATIVE, WHEN CONFRONTED WITH THE LEVEL OF PROPOSED SUBSIDIES, (AS REPORTED IN REFTTEL) STATED THAT THESE DATA REPRESENTED THE VERY FIRST CALCULATION PREPARED BY THE COMMISSION PRIMARILY FOR THE PURPOSE OF ESTIMATING THE POSSIBLE COSTS OF THIS PROGRAM TO THE EC.

6. THE GERMAN DELEGATION EXPECTS THAT THE EC COMMISSION AT THE MANAGEMENT COMMITTEE MEETING ON JUNE 2 WILL PROBABLY PRESENT A MORE DETAILED CALCULATION OF THE SUBSIDY AND PROPOSE A LEVEL WHICH MIGHT DIFFER SOMEWHAT FROM THEIR FIRST CALCULATION. THE ACTUAL PROPOSED LEVEL WILL ONLY BE DISCLOSED BY THE COMMISSION AT THE MEETING.  
STOESSEL

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** AGRICULTURAL PRODUCTION, FRUIT, SUBSIDIES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 jun 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978BONN10023  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780229-1058  
**Format:** TEL  
**From:** BONN USEEC  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t197806109/aaaadpnc.tel  
**Line Count:** 112  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** d8abc97d-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 3  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 BONN 9960  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2167590  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PROPOSED EC PRODUCTION SUBSIDIES FOR PRUNES AND CANNED PEACHES  
**TAGS:** EAGR, GE  
**To:** STATE USDA  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/d8abc97d-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014